

**THE LONG BEACH HOUSING DEVELOPMENT COMPANY
EXECUTIVE REVIEW COMMITTEE MEETING
May 5, 2010 at 3:30 p.m.**

MINUTES

Members Present: Patrick Brown, Chair
Anna Ulaszewski, Projects Committee Chair
Michael McCarthy, Programs Committee Chair
Kevin Cwayna, Legislative/Advocacy Committee Chair

Member Absent: Stacy McDaniel, Vice Chair

Staff Present: Dennis Thys, President
Ellie Tolentino, Vice President
Patrick Ure, Housing Development Officer
Dale Hutchinson, Housing Operations Officer
Meggan Sorensen, Development Project Manager
Pat Parga, Bureau Secretary

Prepared by: Pat Parga

1. Call to Order

Chair Brown called the meeting to order at 3:30 p.m.

2. Roll Call

All Committee members were present at roll call, except Vice Chair McDaniel who was absent.

3. Minutes

The minutes from the January 12, 2010 meeting were approved by consensus.

4. Lease Agreement with New City Public Schools (CD 1)

Recommend that the Board:

1. Approve a lease agreement with New City Public Schools to utilize 225 and 227 E. 15th Street as an urban farm; and
2. Authorize the President or designee to execute any and all documents necessary to enter into the lease agreement.

President Thys reviewed the staff report.

AGENDA ITEM NO. 9A

Chair Brown inquired about whether they would have any farm animals.

President Thys responded that he spoke with Derek Burnham, the Zoning Administrator, and that they might have animals kept in a coop, but no hooved animals.

Chair Brown asked about pigeons.

President Thys stated that they said they are just talking about hens.

Further discussion ensued.

Committee Member Ulaszewski asked about the age level and number of the students.

President Thys responded that it was elementary thorough high school.

Vice President Tolentino stated that there were about 900 students.

Further discussion ensued.

Chair Brown asked if they learn to play an instrument.

Vice President Tolentino stated that they are able to create their own curriculum

Further discussion ensued.

Committee member McCarthy asked if there was a term in the lease stating that it was non-transferable.

President Thys responded that it is always a standard term of our lease.

Committee member Cwayna asked if it was contingent on them demonstrating that they have adequate funding to maintain the property.

President Thys stated that it was.

Committee member Cwayna asked about the quality of the soil and if an evaluation was done.

President Thys responded that they would be doing it above ground similar to what is being done at the Henderson site.

Further discussion ensued.

President Thys spoke about the success of the community garden on Henderson Avenue.

MOTION TO APPROVE:
SECONDED:
UNANIMOUSLY APPROVED

Michael McCarthy
Kevin Cwayna

5. Sale of 2175 Atlantic Ave. to the Redevelopment Agency (CD 6)

Recommend that the Board:

Approve the sale of 2175 Atlantic Ave. to the Redevelopment Agency and authorize the President or designee to sign any and all documents necessary to negotiate and execute the sale.

President Thys reviewed the staff report.

Chair Brown asked what the RDA would be using the property for.

President Thys responded that Children's Today is looking at taking the corner parcel, which belongs to the City, this site, and the Library and do a master re-planning to expand the library with a childcare facility.

Committee member Ulaszewski asked with the latest judgment against RDA by the State, if RDA had funds available for the purchase.

President Thys responded that there are sufficient funds for this project.

Further discussion ensued.

Committee member Cwayna asked if there were any political ramifications for not using this as an affordable housing site.

Chair Brown responded that there is not much we can really do with this site since the Church site did not come through.

President Thys stated that when the church controversy came about, the LBHDC's focus has always been on the site south of the church and nothing has ever been presented publicly regarding the site north of the church. Discussion has been ongoing with the RDA regarding some type of master plan for the library.

Further discussion ensued.

Committee member McCarthy asked if the Councilmember had any problem with the sale.

President Thys responded that the Councilmember has been briefed and is very supportive of the plan for the library expansion.

Committee member Ulaszewski asked if the Filipino Baptist Church was aware that the LBHDC is no longer interested in their property.

President Thys responded that they have made it very clear that we are not.

Further discussion ensued.

**MOTION TO APPROVE:
SECONDED:
UNANIMOUSLY APPROVED**

**Anna Ulaszewski
Michael McCarthy**

6. The Long Beach Housing Development Company's Proposed Budget for Fiscal Year 2010-2011

Recommend that the Board:

Approve the proposed budget of The Long Beach Housing Development Company's for FY 2010-2011.

Staff Hutchinson distributed a revised copy of the proposed budget.

Further discussion ensued.

Staff Hutchinson reviewed Exhibit A of the proposed budget.

Committee member McCarthy asked why the rehab figures were so low.

Staff Hutchinson responded that the HOME funded rehabilitation loans are not in the LBHDC budget because the HOME dollars do not cycle through our fund, they go straight from the Rehab fund directly to the homeowners and the contractors.

Vice President Tolentino commented on column E, row 2, under single-family, that \$700,000 is only for set-aside funded single-family rehabilitation loans, the over-value and over-income loans.

Staff Hutchinson agreed.

President Thys asked if everyone understood that HOME funds could be used with up to 80% of median; if someone is between 81 and 120% we pick them up out this fund.

Further discussion ensued.

President Thys asked staff to explain what the \$3.1 million estimate to close would be used for.

Staff Hutchinson responded that it is primarily for the Palace Hotel, which is about

\$2.6 million, the Courtyards Apartments, about \$492,000 and about \$20,000 for various multi-family rehabs.

Committee member McCarthy stated that the multi-family HOME money is also not in Exhibit A.

Staff Hutchinson responded that he was correct.

Staff Hutchinson reviewed Exhibit B of the proposed budget.

Committee member McCarthy asked if line 2 was the CalHOME mobile home money and if they expected to spend all of it by October.

Staff Hutchinson responded that it was because it was an LBHDC grant.

President Thys asked staff to explain item 3, loan repayment.

Staff Hutchinson stated that line 3, column E represent the portion of the \$20 million (1/5) that will be coming back to the Housing Fund in FY11.

Staff Ure asked about the expenditure of the \$20 million in this year's budget.

Staff Hutchinson responded that it was on Exhibit B, page 4, line 63.

Further discussion ensued.

Staff Hutchinson continued the review of Exhibit B of the proposed budget.

Vice President Tolentino stated that an amount was plugged in as a placeholder for future development sites. Once the development is under contract the funds will be taken out of the pot and put into the exact project.

Committee Member McCarthy asked for clarification of line 39.

Staff Hutchinson responded the Board approved a \$9.5 million loan to Ramona Park Apartments and the loan would be expended over a couple of different fiscal years.

Chair Brown asked about the availability of contingency funds.

Staff Hutchinson responded that funds are usually moved from other projects that had unused funds, when necessary.

Further discussion ensued.

Staff Hutchinson continued the review of Exhibit B of the proposed budget.

Committee member Ulaszewski asked about the difference between lines 57 and 63

Staff Hutchinson responded that line 57 is LBHDC-related and line 63 is on the City side.

Staff Hutchinson reviewed Exhibit C of the proposed budget.

Committee member Cwayna asked about the funding for the Habitat project from the Housing Trust Fund.

Vice President Tolentino responded that they were using the Housing Trust Fund dollars to fund the Habitat homes that we are assisting on Henderson Ave. because they are for very low-income households.

Further discussion ensued.

Committee member Ulaszewski asked how much of the budget information is shared with the Council members.

Staff Hutchinson responded that that they don't see the budget at this detailed level.

President Thys stated that the LBHDC's budget is part of the Community Development's budget.

Further discussion ensued.

**MOTION TO APPROVE:
SECONDED:
UNANIMOUSLY APPROVED**

**Michael McCarthy
Anna Ulaszewski**

7. Project Updates

Chair Brown asked about Olive Court.

Vice President Tolentino responded that out of the 32 units bought by this developer, 10 are still available, 2 are sold, 10 are in escrow, and the rest are under contract.

Chair Brown asked about the landscaping and the barbeque drums.

Further discussion ensued.

Chair Brown asked if there was anything new regarding any other project.

President Thys asked about the Magnolia properties.

Vice President Tolentino responded that they have acquired all the property but one residential and the corner commercial property.

Staff Ure stated that staff would be bringing this to the Board this month.

Further discussion ensued.

President Thys spoke about signing an offer letter for a single-family home on Pacific Ave., the last piece of the parcels at 14th Street Park.

Further discussion ensued.

Chair Brown spoke about a conversation he had with RDA Board Chair.

Further discussion ensued.

President Thys spoke about a fire near an LBHDC site on Long Beach Blvd.

Further discussion ensued.

Committee member Ulaszewski asked about RDA ability to pay back funds.

President Thys responded that that they are under legal obligation to pay us.

Vice President Tolentino stated that if they don't make the payment they are required to pay 25% of set-aside.

Further discussion ensued.

8. Review Agenda for the next LBHDC Board Meeting – May 19, 2010

There was no discussion on this item.

9. Upcoming Meetings, Conferences and Workshops

There was no discussion on this item.

10. New Business

There was no new business presented.

11. Public Participation

No members of the public were present.

12. Adjournment

The meeting was adjourned at 4:23 p.m.

PP

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NOTE: A digital recording of this meeting will be available in the Housing Services Bureau, please call the Housing Services Bureau 48 hours prior to the meeting at (562) 570-6359.